

**THE CANADA NATIONAL
FIRE
INSURANCE CO.**

PROSPECTUS



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The Canada National Fire Insurance Company

Incorporated by
Special Act of the Parliament of Canada



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no. 0048

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HEAD OFFICE:

BANK OF BRITISH NORTH AMERICA BLDG.
436 MAIN ST., WINNIPEG, CANADA.

BRANCH OFFICES:

VANCOUVER, B.C., 559 Granville St.
R. J. POTTS, Local Manager.

VICTORIA, B.C., 1204 Government St.
R. W. PERRY, Local Manager.

CALGARY, Alta., Burns Block, 807 Centre St.
E. H. HENDERSON, Local Manager.

EDMONTON, Alta., 52 Jasper Ave. W.
C. W. SMITH, Local Manager.

REGINA, Sask., McKenzie Brown Bldg., cor. 11th Ave. and
Scarth St.
F. M. EDDY, Local Manager.

FORT WILLIAM, Ont., Cuthbertson Block, 107 May St. N
J. H. ALEXANDER, Local Manager.

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The Canada National Fire Insurance Company

Board of Directors:

President:

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Lumber Manufacturer

President North-West Navigation Co.

Vice-President Northern-Crown Bank

Director Northern Mortgage Co.; Director Northern Trusts Co.

Vice-Presidents:

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President Bawlf Grain Co.; Director Bank of Toronto

Director The Great West Permanent Loan Co.

Director Standard Trusts Co.

D. E. SPRAGUE, Esq.

Lumber Manufacturer

Vice-President North-West Fire Insurance Co.

Western Director, London and Lancashire Life Assurance Co. of
London, Eng.

F. H. ALEXANDER, Esq.

Director The Great West Permanent Loan Co.

Managing Director:

W. T. ALEXANDER, Esq.

President The Great West Permanent Loan Co.

E. F. HUTCHINGS, Esq.

President The Great West Saddlery Co.

Director The Canadian Fire Insurance Co., etc., etc.

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D. R. DINGWALL, Esq.

President D. R. Dingwall Ltd., Manufacturing and Retail Jewelers.

E. L. TAYLOR, Esq., K.C.

Barrister, etc.; Director The Great West Permanent Loan Co., etc.

E. S. POPHAM, Esq., M.D.

Vice-President Great West Permanent Loan Co.

Director Standard Trusts Co., etc.

Bankers:

THE ROYAL BANK OF CANADA
THE IMPERIAL BANK OF CANADA

Solicitors:

MESSRS. TAYLOR, BOWLES & MACALPINE

Auditor:

D. A. PENDER, C.A.

D. A. Pender & Co., Chartered Accountants.



PROSPECTUS.

The Canada National Fire Insurance Company.

THE CANADA NATIONAL FIRE INSURANCE COMPANY was incorporated April 7th, 1909, by Special Act of the Parliament of Canada, with a capitalization of Three Million Dollars (\$3,000,000.00), divided into 30,000 shares of \$100.00 each, for the purpose of carrying on the business of Fire Insurance, as outlined in the Insurance Act and the Special Act of Incorporation.

The Head Office of the Company is in the City of Winnipeg, and in addition to this, Branch Offices and Agencies will be established throughout the Dominion.

It must be generally conceded that, owing to the satisfactory conditions at present prevailing throughout not only Western Canada, but the entire Dominion, this Company is being organized at a most favorable and opportune time.

Canada, and particularly the Western portion of the Dominion, is advancing in population and wealth more rapidly than at any other time in its history, and every indication points towards a period of great prosperity and development.

The great influx of settlers into Western Canada is resulting in tremendous activity in every line of business. Railroad construction is proceeding on a scale hitherto unknown in this country, and as adequate transportation is of vital importance in moving our immense crops with a proper degree of facility, it is highly encouraging to see so much well directed energy along the lines of railway extension.

Coincident with railway expansion, we find many new districts rapidly filling up with desirable settlers, bringing with them a good supply of cash and effects. With the settlement of the rural districts, new towns and villages are springing up, which will, during the next few years, become, in many instances, important business centres.

With such unprecedented growth in Western as well as Eastern Canada, involving an expenditure of millions of dollars in building operations, it is at once evident that there is a very extensive and profitable field for a new Fire Insurance Company, which will have a thorough organization throughout the length and breadth of the Dominion, and more particularly in the four Western Provinces.

As a great volume of our business will be transacted in the West, it is a matter of the greatest importance that the Head Office of the Company, as well as the Directors, should be located in the West, so that the affairs of the Company may be conducted to the best possible advantage.

DIRECTORS AND ADVISORY BOARD

The Directors and Advisory Board consist entirely of Western men with a very intimate knowledge of Western conditions, and they are, accordingly, well conversant with the financial and general business requirements of the West. They are thoroughly representative of the various important branches of financial, commercial, industrial

and professional life in Western Canada, and with their wide reputation for business ability and integrity, as well as financial standing, combined with a long and varied experience, and practical knowledge of business affairs, they are exceptionally well qualified to render excellent service to a large financial institution.

THE DIRECTORS

As the Directors have valuable connections with extensive business interests, and are also Directors of other financial corporations, as well as being otherwise identified with large and influential companies, which control a great deal of high grade fire insurance, they will be instrumental in placing a large portion of this desirable insurance with the new Company, so that we may safely conclude that from the very beginning of operations, a large and profitable business will be assured.

Under these favorable conditions and with a strong, energetic as well as experienced and conservative management, combined with the fact that each Director has subscribed for eleven thousand five hundred dollars (\$11,500) of the Capital Stock, on which all calls have been paid, and takes an active interest in the welfare of the Company, there is only one conclusion to draw and that is, that the affairs of the Company will be conducted in such a careful, conscientious and intelligent manner that the interests of both policy holders and stockholders will be fully protected.

It is worthy of note that about \$500,000 of Capital Stock has already been subscribed by the Directors and their friends.

No commission has been or will be paid to anyone for securing stock subscriptions, and no expense has been incurred in the promotion and organization of the Company, except the expense in connection with securing the Charter and other necessary expenses.

THE CANADA NATIONAL FIRE

The Canada National Fire being organized in the West, MAY BE TRULY CALLED A WESTERN COMPANY, and, as such, should receive the liberal patronage and hearty co-operation of the citizens of Western Canada, as well as the support of people from Eastern Canada, who desire to become associated with a strong and progressive Canadian Company.

When promoting this Company, the Directors were fully convinced that there was a splendid opening in Western Canada for a Company prepared to carry on the business of Fire Insurance on a large and comprehensive scale, and which, at the same time, could offer ADEQUATE PROTECTION TO BOTH POLICY HOLDERS AND SHAREHOLDERS. Accordingly, when making application for a Dominion Charter, the Company was incorporated with a capital of \$3,000,000.00, of which amount, it is the intention of the Directors to immediately offer for sale, the large sum of \$2,000,000.00.

The all important feature in Fire Insurance, is PROTECTION; and with the large capital, combined with the high standard of Reserve, which will be maintained through careful selection of risks and profits from judicious investments, the Directors and management feel confident that this Company will be accorded a very hearty reception by Canadian citizens, and will soon rank as one of the leading Fire Companies.

WITHOUT A LARGE AND SUBSTANTIAL CAPITAL FOR THE PROTECTION OF THE POLICY HOLDERS, A FIRE INSURANCE COMPANY IS SERIOUSLY HANDICAPPED, AND DOES NOT AFFORD THE POLICY HOLDER THAT PROTECTION TO WHICH HE IS JUSTLY ENTITLED, and the Directors of this Company.

being fully aware of this most important fact, are adopting a very wise policy in OFFERING FOR SUBSCRIPTION, SUCH A LARGE AMOUNT OF CAPITAL STOCK; and when our entire stock is subscribed and paid in full, it will represent the largest amount of subscribed and paid-up capital of any Canadian Fire Insurance Company, and will be a tower of strength, and of very material benefit to the Company in carrying on its extensive operations.

It shall be the policy of the Company to use the UTMOST DISCRETION in the selection of desirable risks, and, at the same time, to so widely distribute its business, that any danger arising from a possible conflagration, at any point, may be reduced to a minimum.

The investment of the Company's funds will be given the GREATEST OF CARE and attention by the Board of Directors.

Only GILT-EDGE securities will be considered, such as first mortgages on improved, productive real estate; stocks, bonds and debentures of companies of high repute, as well as Dominion securities, and municipal, county and school debentures of well established districts.

As a LARGE PERCENTAGE of these securities is READILY NEGOTIABLE, the Company will have abundant LIQUID ASSETS to meet any possible contingency that might arise.

Our first mortgage investments will be confined to Western Canada, and as the rate of interest obtainable on first class productive real estate, is FULLY TWO PER CENT. greater in the West than in Eastern Canada, the Company will have a DECIDED ADVANTAGE over Companies operating

exclusively in the older portions of the Dominion. A fixed policy of the Company is to loan NOT MORE THAN FIFTY PER CENT of a conservative value of the property, and to stipulate for a definite return of principal, together with interest, each year during the term of the loan. With these periodical repayments of principal, and with land values in Western Canada steadily increasing, the Company's first mortgage securities will continue to improve year by year.

With the active development in Western Canada, a great deal of capital will be required for many years to come, and the Company will, therefore, experience a very ready demand for its funds on high grade securities, and at a profitable rate of interest.

The Directors have decided to issue the first allotment of stock at the price of ONE HUNDRED AND FIFTEEN DOLLARS PER SHARE, being at a premium of fifteen per cent.

The terms of subscription are:

On application, \$25.00 per share, which shall include the premium of \$15.00 per share; and the balance, payable in ten consecutive half-yearly instalments of \$9.00 per share; the first of such half-yearly instalments, to become due and payable six months from date of allotment of shares.

Shares may be PAID IN FULL at time of subscription, but, if purchased on the INSTALMENT PLAN, the subscriber shall have the privilege of paying any or all of the instalments prior to due dates.

THE FOLLOWING TABLE SHOWS THE AMOUNT OF FIRST CALL AS WELL AS THE SUBSEQUENT PAYMENTS.

NO. OF SHARES	AMOUNT OF FIRST CALL	HALF YEARLY PAYMENTS
1	\$25.00	\$9.00
5	125.00	45.00
10	250.00	90.00
15	375.00	135.00
20	500.00	180.00
25	625.00	225.00
30	750.00	270.00
40	1000.00	360.00
50	1250.00	450.00
100	2500.00	900.00
200	5000.00	1800.00
300	7500.00	2700.00

Table showing TOTAL PURCHASE PRICE of shares at the price of \$115.00 per share.

NO. OF SHARES	TOTAL PURCHASE PRICE
1	\$115.00
5	575.00
10	1150.00
15	1725.00
20	2300.00
25	2875.00
30	3450.00
40	4600.00
50	5750.00
100	11500.00
200	23000.00
300	34500.00

NO BONUS STOCK shall be issued for any purpose whatsoever, and even the Directors and Advisory Board, who are very heavy stockholders in the Company, have paid the SAME PRICE for their shares as the general public. NOT ONE SHARE has been or will be issued to any person at a price LESS than \$115.00 per share.

THIS IS A RARE OPPORTUNITY to secure some of the FIRST ISSUE of the Capital Stock of a Western Fire Insurance Company. With a large amount of desirable and profitable business, so readily obtainable by the Company through its valuable and extensive business connections, rapid progress should be made; and with investments carefully selected and unexcelled in earning power, the Company will be enabled to not only pay substantial dividends but build up a large reserve, and thereby materially increase the value of the stock.

The DIRECTORS, anticipating a great demand for this issue of stock, would STRONGLY ADVISE the investing public to MAKE APPLICATION for the stock with AS LITTLE DELAY AS POSSIBLE.

The Directors firmly believe in the policy that EVERY SHAREHOLDER SHOULD CO-OPERATE WITH THE MANAGEMENT of a Company and take an active interest in its welfare. For that reason, it is their intention to WIDELY DISTRIBUTE the CAPITAL STOCK and by that means, obtain the support of the leading business and professional men throughout the country.

With the rapid development of the West during recent years, involving an outlay of many millions of capital, it has become generally recognized that WESTERN CANADA IS VERY MUCH IN NEED OF MORE LARGE FINANCIAL INSTITUTIONS, and especially of Western origin, to properly meet

the growing requirements of the West, and to not only improve the present financial situation, but to materially assist in retaining as much as possible desirable business, with its resultant profits, within our own Western borders.

The business of fire insurance has now grown to such large proportions that it has become a very important factor in the financial and commercial world, and as its scope and influence is so general and widespread, it is only natural to find that the question of AMPLE PROTECTION TO POLICY HOLDERS, which is the primary function of fire insurance companies, should be SO GENERALLY DISCUSSED AT THE PRESENT TIME.

This important subject has given rise to a very STRONG FEELING in Western Canada, that the TIME HAS NOW ARRIVED when the Western people should organize a Fire Insurance Company of such strength and proportions, that it will soon rank as one of the leading fire companies of America, and command general respect and confidence, which is so ESSENTIAL to a company which solicits the support and patronage of all classes of the community.

The Directors have every confidence that they will receive the hearty co-operation of not only Western citizens, but of people from every part of the Dominion, to build up a GREAT fire insurance company with AMPLE PROTECTION for the people, and which will be a source of pride and credit to our country.

The following Canadian Government Insurance statistics should prove of ESPECIAL interest:

In the year 1869, the total amount of fire premiums collected in Canada was \$1,785,539.00, whereas in the year 1909, the total premiums charged, amounted to the large sum of \$22,293,633.25, and of this amount, \$6,551,644.41

was charged by Canadian Companies; \$11,518,267.45 by British Companies, and \$4,223,721.39 by American Companies.

During the last forty-one years, the aggregate amount of fire insurance premiums collected in Canada reached the immense total of \$280,740,466.00, of which, the large sum of \$218,310,047.00 represents the amount of premiums collected by FOREIGN COMPANIES, and which, therefore, was taken out of the country to build up foreign companies and enrich foreign shareholders.

The above figures are most significant and clearly demonstrate that while the Canadian Fire Companies have been doing a satisfactory business, they have secured only a SMALL portion of the Fire Insurance transacted in Canada; or to be more exact, only TWENTY-TWO per cent. of the total Fire Insurance written in Canada covering a period of the last forty-one years. With the extraordinary progress which Canada has been making during recent years, the field for financial institutions has become so widely extended, that there is a CONSTANTLY INCREASING DEMAND for new, large financial corporations.

By further reference to our Government statistics, it will be observed that at December 31st, 1909, the total number of Canadian Fire Companies, operating under Dominion Charter, was ONLY TWENTY-ONE, and of this number, ONLY TWO HAD A PAID-UP CAPITAL IN EXCESS OF \$500,000.

In promoting this large Canadian Company, the Directors are fully confident that the new organization will, with characteristic Western energy and enterprise, soon come to be recognized as an important factor in the insurance world, and as The Canada National will be instrumental in RETAINING WITHIN THE BOUNDARIES OF CANADA,

a large amount of money which would otherwise be taken out of the country to build up foreign corporations, the people of this growing Dominion, will readily see the advisability of giving this Company their MORAL AND FINANCIAL SUPPORT, in order that we may build up a STRONG and VIGOROUS Company which will prove a valuable acquisition to our Canadian monetary institutions.

REFERENCES:

THE IMPERIAL BANK OF CANADA
THE ROYAL BANK OF CANADA

R. G. DUN & Co.) MERCANTILE AGENCIES,
BRADSTREET CO.) WINNIPEG, MAN.

RELIABLE AGENTS WANTED
APPLY TO
THE HEAD OFFICE, WINNIPEG, MAN.